

Dispute Settlement Body (DSB) of the WTO to establish a panel to examine the allegation if the consultations fail to settle the dispute within sixty days after the date of receipt of the request for consultations. In accordance with these provisions, on 7 November, 1996 the USA requested the establishment of a panel to examine the dispute. The DSB, at its meeting held on 20 November 1996 considered this request and decided to establish a panel.

(c) and (d). As a signatory to the Agreement Establishing the WTO of which the TRIPs Agreement is an integral part, India has to fulfill all obligations that emanate from its membership of the WTO. Government of India is in the process of holding consultations in order to work out appropriate measures with regard to the amendment of the Indian Patents Act 1970.

Foreign Investment

4371. SHRI PARASRAM BHARDWAJ : Will the Minister to INDUSTRY be pleased to state :

(a) whether the Government has further liberalised the provisions relating to automatic approval of foreign investment.

(b) whether the earlier policy specially banned import of second hand machinery and stated that the plant and machinery should be new and not second hand;

(c) whether the concerned administrative Ministries are not in favour of the inclusion of more industries in the annexure III of the industrial policy of 1991; and

(d) if so, the details regarding the plan of the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. Recently, the foreign investment parameters have been further liberalised to facilitate better and increased flow of foreign technology and equity and provide greater attraction to prospective investors. It will no longer be necessary for automatic approvals by RBI that the amount of foreign equity should cover the foreign exchange requirements for import of capital goods needed for the project. The import of capital goods for the project would be, however, subject to the EXIM Policy. The existing ceiling of Rs. 1 crore by way of payment of lumpsum fee for automatic approval has been raised to US \$ 2 million.

(b) Under the existing Policy, the plant and machinery proposed to be imported under the automatic approval scheme, should be new and not second hand.

(c) and (d). The Foreign Investment Policy as enumerated is constantly reviewed to make it more dynamic and investor-friendly with the objective of increasing foreign direct investment into the country particularly in priority/core sectors, including infrastructure. The views of concerned Ministries is taken

into consideration while undertaking such review and while framing policy.

Reservation for Women in Panchayats and Municipalities

4372. SHRI RAMESHWAR PATIDAR : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the names of such States which have not passed necessary legislation to incorporate provisions of the Constitution (Seventy-third Amendment) Act, 1993 and the Constitution (Seventy-fourth Amendment) Act, 1993, which provide reservation of 33% seats for women in Panchayats and Municipalities respectively; and

(b) the steps taken by the Union Government in this regard?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D KHALAP) : (a) All the States where the provisions of Constitution (Seventy-third Amendment) Act, 1993 and the Constitution (Seventy-fourth Amendment) Act, 1993 are applicable have passed necessary legislations in accordance with the Constitutional provisions on Panchayats and Municipalities.

(b) Does not arise.

[Translation]

Price of Coal

4373. SHRI SUSHIL CHANDRA : Will the Minister of COAL be pleased to state :

(a) the average number of layers (Seem) of coal found in the coal mines of Coal India Ltd;

(b) the details of mines in which various varieties of coal is found in various layers (Seem);

(c) the criteria adopted to fix the prices of coal of various qualities obtained from different layers (Seem) and

(d) the steps taken to ensure that fixation of price of coal is done on rational basis?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b). Details of seems being worked mine-wise in Coal India Limited (CIL) with their declared grades are too voluminous to be incorporated in reply. These details are contained in Coal Directory of India 1995-96. Copy of the said Directory has been made available to the Library of the Parliament.

(c) and (d). The criteria adopted for fixation of coal prices is as under :

(i) In respect of non-coking coal, the prices are based on various grades from A to G depending on Useful Heat Value.

- (ii) In respect of coking coal the prices are based on ash percentage.
- (iii) In respect of semi-coking coal, the prices are based on combined percentage of ash and moisture.

The prices of superior quality coal i.e. all coking coals and non-coking coal of grades A, B and C have been deregulated with effect from 1.4.1996 except in WCL and SCCL where deregulated prices became effective from 22.3.1996 and 19.4.1996 respectively. The prices of grades D to G of non-coking coals, which are mostly used in the power sector, still continue to be administered.

[English]

Coir-Geo-Textiles

4374. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of INDUSTRY be pleased to state :

(a) whether Coir Board has requested to the Government to conduct a Seminar on promotion of export by Coir and Coir Products abroad;

(b) if so, the details thereof; and

(c) the steps being taken by the Government to popularise Coir Geo-Textiles for Soil Engineering purposes?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). A proposal has been received by the Government from the Coir Board seeking Government approval for conducting a seminar on coir gec-textiles. Government have already accorded its in principle approval for the proposal. Coir Board has been entrusted with the task of popularising use of coir products including coir geo-textiles for soil engineering in foreign countries.

Opium Cultivation

4375. SHRI PRAMOD MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to a report appearing in the 'Times of India', dated November 27, 1996 under the caption "Policy change may be a shot in arm for illegal opium trade";

(b) if so, the details in this regard and the reasons for the change relating to opium cultivation regulations;

(c) the present quantum of legal cultivation of opium and the number of licensed opium cultivators in the country, State-wise and the details of productivity norms set by Government in this regard; and

(d) the steps taken to check the opium cultivators illegal diversion of their produce to the drugs markets in the country and abroad?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) A statement explaining the position is enclosed.

(c) At present, licit cultivation of poppy is allowed only in the States of Madhya Pradesh, Uttar Pradesh and Rajasthan in the country. The area licenced, the number of cultivators who have been given licences to cultivate poppy and the productivity norms set by the Government in each State is as under :

State	Area licensed (hectare)	No of cultivators	Minimum qualifying yield (Productivity Norms)
Madhya Pradesh	16552.90	42626	48 Kgs /hectare
Rajasthan	12497.90	31465	48 Kgs /hectare
Uttar Pradesh	708.60	940	40 Kgs /hectare

(d) The system of control over poppy cultivation is quite elaborate which includes, inter-alia, 100% measurement of poppy fields, test measurement by senior officials, constant monitoring of crop conditions and daily weighment of produce of each cultivator during the period of opium cultivation. The enforcement set up of the Central Bureau of Narcotics has also been strengthened by improving transport and communication net work and setting up more preventive intelligence cells in and around poppy growing areas. Enforcement operations and general vigil are intensified during the lancing period and collection of opium. In addition to departmental officers, other enforcement agencies and para-military forces are also engaged for the above purpose.

STATEMENT

The newspaper reports appearing in the 'Times of India' and some other dailies about opium licensing policy of the Govt. have published incorrect and misleading facts based on wrong presumptions.

The opium policy for the year 1996-97 was based, as in previous years, on an assessment of the annual requirement of opium and the area required to be licensed to produce the same. With the depletion in the opium stock position the area under poppy cultivation was raised, in the year 1994-95 from about 13,000 hectares to 25,000 hectares. The International Narcotics Control Board, which is the concerned United Nations body, has been writing to the Govt. of India emphasizing its responsibilities as the sole supplier of licit opium and the need to build up stocks to provide for future eventualities like crop damage etc. During the current year, the area under cultivation has been increased to about 29,760 hectares and not 40,000 hectares as reported in the Newspapers.